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Date: 16 February 2017

To: Ms. Rachel E. Dickon  
Assistant Secretary  
Federal Maritime Commission  
800 North Capitol Street N.W.  
Washington, DC 20573-0001

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OFFICE OF THE SECRETARY  
FEDERAL MARITIME COMMISSION

Subject: Petition of the Coalition for Fair Port Practices for Rulemaking (Petition No. P4-16)

Dear Assistant Secretary Dickon:

East Bay Logistics is pleased to respond to the Federal Maritime Commission (FMC) *Federal Register* notice published on December 28, 2016 concerning a petition for rulemaking from the Coalition for Fair Port Practices. We fully support the policy statement requested by the Coalition, which we feel would help bring about more reasonable demurrage and detention practices for cargo moving through our nation's seaports. Accordingly, we urge the FMC to begin a formal rulemaking on this matter as soon as possible.

As the Owner and President of East Bay Logistics (EBL), the West Coast's Premier Cocoa and Coffee 3rd Party Logistics Warehousing Company, this area is of major concern to myself and our company. We employ over 80 individuals and receive upwards of 200 sea-land containers on a weekly basis from the ports. We receive and store raw cocoa and coffee beans from, and for, a variety of customers including: Gavina, Starbucks, Keurig Green Mountain, Peets, Ghirardelli, Guittard, Blommer and many smaller roasters, as well as the import trade houses. We conduct these operations from four warehouses in the northern California area served by the Port of Oakland, and two warehouses in the Los Angeles area served by the ports of Los Angeles and Long Beach.

As a result of this issue, we have noticed that some of our customers are experimenting with shipping to US ports other than the west coast. While this may solve their problems, it would devastate our business and employees. Losing business due to our own failing is one thing, losing it as a result of unfair practices that we have no control over is an entirely different matter.

Our company has experienced repeated incidents of severe congestion at container terminals in U.S. ports the West Coast which have prevented us from picking up our cargo and returning empty containers.

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Whether those incidents involved weather, labor contract negotiations, the arrival of very large ships or other disruptions, the port delays were beyond our control and beyond the control of the importers, exporters or draymen. All too frequently shippers and truckers are being charged demurrage and detention penalties for late pickup or return of containers when it is not their fault.

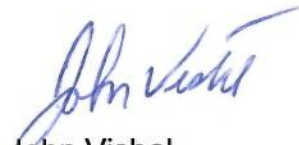
If the terminal is closed during normal working hours, or if a container is unavailable for pickup during the free time period due to congestion or other disruption at the port, carriers and terminals should not assess demurrage. The same is true for detention charges when attempts to return an empty container are frustrated. These are real costs that hurt American businesses and American competitiveness.

The Coalition for Fair Port Practices has proposed a policy statement that would help to stop this unfair practice. The FMC has the authority to ensure that demurrage and detention practices are fair and reasonable and it needs to act to address this problem.

The FMC has taken important steps to examine port congestion issues challenging carriers, shippers, terminals and intermediaries. As the next step, we urge you to grant the petition and open a rulemaking on the Coalition's policy statement to ensure that US imports and exports are not burdened with unfair demurrage and detention charges.

Thank you for considering our views.

Respectfully,



John Visbal  
President  
East Bay Logistics